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Targeting the Right Educational Services to the Most Challenged Children, Youth and Families UPDATED

One of the ways that Michigan provides more equitable resources to school systems that serve larger numbers of students with educational challenges is through section 31a of the State School Aid act, or what is more commonly referred to as At-Risk funding. The level of At-Risk funding available is determined through the annual appropriations process. Funding is allocated by formula to school districts based on the number of students in a district who are economically disadvantaged pro-rated as a share of the district's current foundation allowance. Some higher spending districts are currently excluded from funding, even if they have low-income students who could benefit from additional services.

This funding is used to provide supplemental services (services that were not previously provided through general funds or services required to be provided by law) during or outside regular school hours such as tutoring services, early childhood programming, reading support, social emotional learning initiatives, and many other possible uses. Districts are required to design their needed services by implementing a multi-tiered system of support (MTSS) for students K-3, but there are limited requirements beyond that. Students currently qualify for additional services through 31a funding if they aren't proficient in core subject areas, or if they have a variety of other educational risk factors. Schools are required to submit how they used the funds every school year.

The Governor and Appropriations Subcommittees in the House and Senate agreed with several significant changes to Michigan's At-Risk funding, but included different funding recommendations in each of their FY18 budget proposal:

1. **Increased funding to local districts.** The Governor proposed a 40 percent or \$150 million increase to At-Risk funding, bringing the total \$540 million. This increase would bring the At-Risk funding up to the level intended for the first time in its history, which has been defined in statute as providing an additional 11.5% of the foundation grant to support additional programs for students at risk of failure. The line item also includes flat funding for child and adolescent health services at \$5.6 million and \$5.15 million for vision and hearing screening, which also come out of this appropriation. The House proposed an increase of just over \$129 million and the Senate included an additional \$100 million.
2. **Shifts in how local district funding is allocated.** In addition to the increase, the Governor, House and Senate all recommended changes to local district allocations. All proposed shifting the formula from the students from families receiving free lunch to those also receiving reduced-priced lunch – moving from 133% of the federal poverty level to 185%, and all recommended expanding the funding to include districts previously excluded from the formula grants, but in slightly different ways. The Governor simply included all districts, the House limits funding for previously excluded districts to 50 percent of their formula allocation and the Senate sets up two different allocation structures with part of the increase given only to those previously receiving funding, and part of the increase split between all schools, including those previously excluded.
3. **Changes in student eligibility for services.** The recommendations from the Governor, House and Senate all removed most specific eligibility categories for students, but economic risk is maintained, and separate eligibility maintained for youth in the foster care system, and those who are from migrant families or are homeless.

4. **Stricter requirements for equity outcomes.** All three proposals required districts to focus program funding on preventing absenteeism; closing performance gaps in 3rd grade reading and 8th grade math; and ensuring access to and success in career tech, advanced placement, international baccalaureate and dual enrollment options.
5. **Additional public reporting requirements and remedial action.** The recommendations require the Department of Education to annually report district performance and a summary of best practice programs and services. Districts whose students aren't making "significant progress" in a three-year timeframe trigger a review and intervention under the Governor and Senate recommendations, the House shortens that timeframe to one year.

Additional resource for students who face educational challenges is critically important. Research and evidenced practice points to specific strategies, and investments, worth considering to close the gaps in educational outcomes identified by the Governor's recommendation. This level of expansion gives Michigan an opportunity to both provide additional flexible funding to school districts around the state, and target resource to programs that work, including those that integrate services and expand learning opportunities.

More must be done to utilize the school setting to ensure that students and their families have access to supports that stop equity gaps from growing through the school year and in the summer months. When schools have access to resource, staff and partnerships that are able to connect families with other community resources, there are more chances to find and address the causes of school absence, behavioral issues and academic problems – be they related to physical and behavioral health issues, unstable home environments, unsafe school environments or disengagement by parents and students.

Students currently and formerly in the foster care system are often not receiving needed supplemental assistance because they are not appropriately identified for services. Many are not able to finish high school and move on to post-secondary paths because they aren't able to remain in a school setting long enough to accumulate credits, or because their credits don't effectively transfer to new schools. Federal law requires that local districts have a person responsible for better shepherding these students, but additional resources behind these students are necessary to take advantage of the change.

Recommendations:

1. The Governor's proposed increase in 31a funding brings it to the level of funding intended for the program since its inception. While all three proposals include significant expansions, we recommend that the additional \$150 million be maintained.
2. The Senate recommended a \$500,000 increase (roughly 10%) to school and community-based health services that also come out of the At-Risk funding line. We recommend a more proportional increase, increasing access to those critical physical and mental health services for older students and in more areas of the state.
3. No proposals devoted any part of the increase to Integrated Student Service models. We recommend that a portion of any increase be directed to these models that are well connected to Pathways to Potential resources and have a particular emphasis on access to mental health services for children and youth.
4. No proposals devoted part of the increase to afterschool and summer learning programs. We recommend that a portion of any increase be directed to programs modeled after the federal 21st Century Community Learning Centers that require and leverage community partnership.
5. We also recommend that part of any increase be used to support educational strategies specific to the building success of children and youth in foster care, including better trauma-informed practice; immediate access to social-emotional learning and behavioral health supports; and competency-based promotion and credit accumulation.